STATEMENT OF BASIS (AI No. 3262)

for draft Louisiana Pollutant Discharge Elimination System permit No. LA0084123 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: Hobson Galvanizing, Inc.
Belle Chasse Facility
2402 Engineers Road
Belle Chasse, LA 70037

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

PREPARED BY: Yvonne Baker

DATE PREPARED: July 15, 2009

1. PERMIT STATUS

A. Reason For Permit Action:

Permit reissuance of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term

B. NPDES permit – NPDES permit effective date: N/A
NPDES permit expiration date: N/A
EPA has not retained enforcement authority.

C. LPDES permits –
LPDES permit effective date: April 1, 2004
LPDES permit expiration date: March 31, 2009

D. Date Application Received: November 10, 2008; additional information received June 4, 2009.

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - hot dip galvanizing facility

Hobson Galvanizing is an existing hot dip galvanizing facility. All material received at Hobson Galvanizing for processing is generally new steel. If the material to be galvanized is very old, and/or very rusty, the fabricator must blast clean the material before it comes to Hobson for galvanizing.

Once in the galvanizing plant, the material is placed in a pickling vat containing a 5-10 percent solution of sulfuric acid and 90-95 percent water. When the material has completed pickling, it is rinsed in a water tank and then rinsed in a tank containing a 10% mixture of zinc ammonium chloride and 90 percent water. All of the tanks used in the above processes are enclosed in a concrete containment sump as part of Hobson's spill prevention containment plan. Sulfuric Acid vats are periodically pumped out and disposed of at permitted disposal facilities.

The material is then ready to be galvanized in a 58 foot long, 7 foot deep, 7 foot wide galvanizing kettle. The kettle is heated to a temperature of 840 degrees F. High grade or prime grade zinc, in block form, is added to the kettle as required. The zinc blocks are approximately

99.9% pure zinc with trace amounts of aluminum to keep the galvanized material as bright as possible. Once the material has been removed from the galvanizing kettle, it is rinsed in a tank of water to reduce surface temperature so that post galvanizing handling can be expedited. The facility does not discharge process wastewater and is no longer discharging boiler blowdown.

The sanitary wastewater is discharged through Outfalls 003 and 004. The facility has 2 extended aeration treatment plants for the sanitary wastewater. Stormwater currently sheet flows off the property and its consolidation and monitoring was not required in the current permit, based on its low contamination potential, though it is addressed through BMP language.

A groundwater corrective action project was implemented at the facility in the summer of 2005. Earlier investigation revealed that the groundwater in certain areas of the plant exhibited relatively high levels of zinc and a low pH. These were primarily situated around a form surface impoundment which received spent galvanizing bath solution in the 1970s and 1980s. The impoundment has been closed under LDEQ oversight and approval. The corrective action project was initiated at the request of the LDEQ, Office of Environmental Assessment, Remediation Services Division, as groundwater concentration of zinc exceeded the applicable water quality standard. Treated groundwater is discharged through Outfall 005.

B. FEE RATE
1. Fee Rating Facility Type: minor
2. Complexity Type: III
3. Wastewater Type: II
4. SIC code: 3479

C. LOCATION - 2402 Engineers Road in Belle Chasse, Plaquemines Parish
Latitude 29° 50' 35", Longitude 90° 02' 21"

3. OUTFALL INFORMATION

Outfall 003

Discharge Type: intermittent discharge of treated sanitary wastewater
Treatment: extended aeration
Location: at the point of discharge from the STP serving the office located in the southeast corner of the property prior to mixing with other waters
Flow: 300 GPD
Discharge Route: via pipe to local drainage thence into Bayou Barataria, thence into the Intracoastal Waterway

Outfall 004

Discharge Type: intermittent discharge of treated sanitary wastewater and stormwater runoff
Treatment: extended aeration
Location: at the point of discharge from the northwest side of the property prior to mixing with other waters
Flow: Intermittent (Sanitary 300 GPD)
Discharge Route: via pipe to local drainage thence into Bayou Barataria, thence into the Intracoastal Waterway

Outfall 005

Discharge Type: intermittent discharge of treated groundwater
Treatment: limestone filtering system
Location: at the point of discharge from the collection box at the northeast side near the rear of the property prior to mixing with other waters
Flow: 1000 GPD
Discharge Route: via pipe to local drainage thence into Bayou Barataria, thence into the Intracoastal Waterway

4. RECEIVING WATERS

STREAM - Intracoastal Waterway via local drainage and Bayou Barataria

BASIN AND SEGMENT - Barataria Basin, Subsegment 020601

DESIGNATED USES - a. primary contact recreation
b. secondary contact recreation
c. propagation of fish and wildlife

5. TMDL STATUS

Subsegment 020601, Intracoastal Waterway-From Bayou Villars to Mississippi River (Estuarine), is listed on LDEQ's Final 2006 303(d) List as impaired for fecal coliform. To date no TMDLs have been completed for this waterbody. A reopener clause will be established in the permit to allow for the requirement of more stringent effluent limitations and requirements as imposed by a TMDL. Until completion of TMDLs for the Barataria Basin, those suspected causes for impairment which are not directly attributed to the hot dip galvanizing facility point source category have been eliminated in the formulation of effluent limitations and other requirements of this permit. Additionally, suspected causes of impairment which could be attributed to pollutants which were not determined to be discharged at a level which would cause, have the reasonable potential to cause or contribute to an excursion above any present state water quality standard were also eliminated.

This facility does discharge sanitary wastewater which may cause or contribute to the fecal coliform impairment. The standard fecal coliform limits included in this permit should adequately address the potential to contribute to the impairment.

6. PROPOSED EFFLUENT LIMITS

BASIS - See Rationale below.

A. Outfall 001 has been deleted from the permit at the request of the company. There is no recorded discharge from Outfall 001.
B. Outfall 002 has been deleted from the permit at the request of the company. The facility has installed Therma Flow Units in each process tank which eliminates the need for a boiler.
C. For Outfalls 003 and 004, weekly average limitations have been changed to daily maximum limitations in accordance with LAC 33:IX.2709.D and monthly average limitations have been added.
D. The Zinc limitations for Outfall 005 have been changed from water quality based limitations to BPJ technology limitations.

7. COMPLIANCE HISTORY/COMMENTS

A. OEC Review 2007-2009

- June 14, 2007, a compliance inspection was conducted noting areas of concern. At that time the facility was referred to enforcement.
- August 8, 2007, a Warning Letter (XP-AE-L-07-0250) was issued to the facility.
- May 28, 2009, Remediation Services performed an inspection. No areas of concern were noted.
- There were no water related compliance orders.

B. DMR Review/Excursions

A DMR review of years 2007, 2008, 2009 was conducted. The following excursions were noted:

Date	Parameter	Outfall	Reported Value	Permit Limits
06/07	Fecal Coliform	004	1860 col/100ml	400 col/100ml
03/08	Fecal Coliform	004	909 col/100ml	400 col/100ml
03/09	TSS	004	48 mg/L	45 mg/L

8. EXISTING EFFLUENT LIMITS

Outfall 001 – treated hot dip steel galvanizing operation process wastewater

	Limitation		
	Monthly Avg	Daily Max	
Pollutant	mg/L		**Frequency**
Flow	Report	Report	1/ discharge
TSS	7.2 lbs/day	16.79 lbs/day	1/ discharge
Oil & Grease	2.4 lbs/day	7.2 lbs/day	1/ discharge
Total Lead	0.012 lbs/day	0.027 lbs/day	1/ discharge
Total Zinc	0.019 lbs/day	0.046 lbs/day	1/ discharge
Total Iron	Report	Report	1/quarter
Sulfate	Report	Report	1/ quarter
Ammonia	Report	Report	1/ quarter
Chlorides	Report	Report	1/ quarter
pH, s.u.	6.0 (min)	9.0 (max)	1/ discharge

Outfall 002 – boiler blowdown water

	Limitation		
	Monthly Avg	Daily Max	
Pollutant	mg/L		**Frequency**
Flow	Report	Report	1/month
TSS	30	100	1/month
Oil & Grease	---	15	1/month
Temperature (F)	---	Report	1/month
pH, s.u.	6.0 (min)	9.0 (max)	1/month

Outfall 003– treated sanitary wastewater

Pollutant	Limitation		Frequency
	Monthly Avg	Weekly Avg	
	mg/L		
Flow	Report	Report	
BOD_5	---	45	1/ 6 months
TSS	---	45	1/ 6 months
Fecal Coliform colonies/100ml	---	400	1/ 6 months
pH, s.u.	6.0 (min)	9.0 (max)	1/ 6 months

Outfall 004– treated sanitary wastewater and stormwater runoff

Pollutant	Limitation		Frequency
	Monthly Avg	Weekly Avg	
	mg/L		
Flow	Report	Report	
BOD_5	---	45	1/ quarter
TOC	---	50	1/ quarter
Oil & Grease	---	15	1/ quarter
TSS	---	45	1/ quarter
Fecal Coliform colonies/100ml	---	400	1/ quarter
pH, s.u.	6.0 (min)	9.0 (max)	1/ quarter

Outfall 005 - treated groundwater

Pollutant	Limitation		Frequency
	Monthly Avg	Daily Max	
	mg/L		
Flow	Report	Report	1/ week
TOC	50	50	1/ week
Lead, Total	50 µg/L	50 µg/L	1/ week
Zinc, Total	5.8	13.8	1/ week
pH, s.u.	6.0 (min)	9.0 (max)	1/ week

9. ENDANGERED SPECIES

The receiving waterbody, Subsegment 020601 of the Barataria Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated November 17, 2008 from Rieck (FWS) to Nolan (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat. Therefore, the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat.

10. HISTORIC SITES

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

11. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to issue a permit for the discharge described in the application.

12. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

Rationale for Hobson Galvanizing, Inc.

1. **Outfall 003** - intermittent discharge of treated sanitary wastewater

Pollutant	Limitation		Reference
	Monthly Avg	Daily Max	
	mg/L		
Flow	Report	Report	
BOD_5	30	45	Similar discharges* (BPJ), LAG530000
TSS	30	45	Similar discharges* (BPJ), LAG530000
Fecal Coliform colonies/100ml	200	400	Similar discharges* (BPJ), LAG530000
pH, s.u.	6.0 (min)	9.0 (max)	Similar discharges* (BPJ), LAG530000

Treatment: extended aeration treatment plant

Monitoring Frequency: Semiannually for all parameters at the point of discharge from the STP serving the office located in the southeast corner of the property prior to mixing with other waters.

Limits Justification: Limits and monitoring frequencies are based on current guidance for similar discharges from other industrial facilities and the Class I Sanitary Discharge General Permit, LAG530000 effective November 1, 2007.

2. **Outfall 004** - intermittent discharge of treated sanitary wastewater and stormwater runoff

Pollutant	Limitation		Reference
	Monthly Avg	Daily Max	
	mg/L		
Flow	Report	Report	
BOD_5	30	45	Similar discharges* (BPJ), LAG530000
TOC	---	50	**; BPJ
Oil & Grease	---	15	**; BPJ
TSS	30	45	Similar discharges* (BPJ), LAG530000
Fecal Coliform colonies/100ml	200	400	Similar discharges* (BPJ), LAG530000
pH, s.u.	6.0 (min)	9.0 (max)	Similar discharges* (BPJ), LAG530000

Treatment: extended aeration treatment plant

Monitoring Frequency: Quarterly for all parameters at the point of discharge from the northwest side of the facility prior to mixing with other waters.

Limits Justification: Limits and monitoring frequencies are based on current guidance for similar discharges from other industrial facilities, LDEQ's guidance on stormwater, letter dated 6/17/87, from J. Dale Givens (LDEQ) to Myron Knudson (EPA Region 6), best professional judgement and the Class I Sanitary Discharge General Permit, LAG530000 effective November 1, 2007.

3. **Outfall 005 -** intermittent discharge of treated groundwater (estimated flow is 0.001 MGD)

	Limitation		
	Monthly Avg	Daily Max	
Pollutant	mg/L		**Reference**
Flow	Report	Report	LAG940000 (BPJ)
TOC	50	50	LAG940000 (BPJ)
Lead, Total	50 µg/L	50 µg/L	LAG940000 (BPJ)
Zinc, Total	0.252 µg/L	0.657 µg/L	BPJ; 40 CFR 437.13
pH, s.u.	6.0 (min)	9.0 (max)	LAG940000 (BPJ)

Treatment: limestone/alkaline material filtration system

Monitoring Frequency: Weekly for all parameters at the point of discharge from the collection box at the northeast side near the rear of the property prior to mixing with other waters.

Limits Justification: BPJ from the General permit for Discharges of Treated Groundwater, Potentially Contaminated Storm Water, and/or Associated Wastewater LAG940000, for Flow, TOC, Lead, Total, and pH. The limitations for Zinc in the previous permit were water quality based limitations calculated from the analytical results in the application. The analytical results submitted in the renewal application did not result in water quality based limitations. However, Zinc limitations are based on best professional judgement and the Federal Guidelines for Centralized Waste Treatment Point Source Category, Subpart A: Metal Treatment and Recovery (40 CFR 437.13). A water quality screen utilizing the technology based Zinc limitations did not result in a water quality based limit.

Note: EPA Guidelines for Iron and Steel Manufacturing (40 CFR Part 420) are not applicable because the facility does not discharge process wastewater.

* Existing permits for similar outfalls
** LDEQ's guidance on stormwater, letter dated 6/17/87, from J. Dale Givens (LDEQ) to Myron Knudson (EPA Region 6)
BPJ Best Professional Judgement
su Standard Units

NOTE
For outfalls containing concentration limits, the usage of concentration limits is based on BPJ for similar outfalls since the flow is variable and estimated.

STORM WATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

A SWP3 is included in the permit because in accordance with LAC 33:IX.2511.A.1, storm water discharges shall not be required to obtain an LPDES permit "... except... discharges associated with industrial activity." In accordance with LAC 33:IX.2511.B.14.a-k, facilities classified as SIC code 3479 are considered to have storm water discharges associated with industrial activity.

For first time permit issuance, the SWP3 shall be prepared, implemented, and maintained within six (6) months of the effective date of the final permit. **For renewal permit issuance**, the SWP3 shall be reviewed and updated, if necessary, within six (6) months of the effective date of the final permit. The plan should identify potential sources of storm water pollution and ensure the implementation of practices to prevent and reduce pollutants in storm water discharges associated with industrial activity at the facility (see Narrative Requirements for the AI).